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SUBJECT: PM MALIKI CHOOSES ALI ALLAWI AS NEXT CHAIRMAN OF
NATIONAL INVESTMENT COMMISSION

REF: A. 08 BAGHDAD 2811

[B](#). 08 BAGHDAD 3579

[1](#)1. (SBU) Summary: GOI officials confirmed to us on February 9th that Ali Allawi is PM Maliki's choice to be the next Chairman of the National Investment Commission (NIC). While Allawi will still need to be formally nominated by the Council of Ministers (COM) and confirmed by the Council of Representatives (COR), his selection as NIC chairman is a positive development. If confirmed, he will need to quickly provide leadership and guidance to steer the GOI, thus far disjointed efforts to improve the business climate and attract foreign direct investment. End Summary.

Allawi Named NIC Chairman

[1](#)2. (SBU) GOI officials confirmed to us on February 9 the selection of Ali Allawi as Chairman of the National Investment Commission (NIC). Long a part of the Iraqi exile elite in London, Allawi previously served as Minister of Trade and Defense for the Iraqi Governing Council and Minister of Finance for the Iraqi transitional government. After leaving the interim government, he authored the book "The Occupation of Iraq: Winning the War, Losing the Peace." Allawi is a former professor at Oxford University, consultant to the World Bank, and a graduate of both MIT (BS) and Harvard (MBA).

Next Steps

[1](#)3. (SBU) The COM must formally nominate Allawi and the COR must confirm his nomination before he can take his seat as NIC Chairman, a process that has bedeviled his predecessors. The COR never confirmed previous NIC chairman-designate Ahmed Ridha, a fact that hampered his efforts to grow and strengthen the role of the NIC and technically forbade him the legal authority to sign investment licenses. (refs A,B)

COMMENT

[1](#)4. (SBU) While there is some concern about Allawi's long absence from Baghdad (even as a minister he spent much of his time in London), interlocutors here feel Allawi is both more politically astute and connected than his predecessor, although this will not necessarily translate into a rubber-stamp confirmation. Some here also question whether or not his academic and bureaucratic credentials, while impressive, lend themselves to the role of investment promoter-in-chief. That said, a prominent figure is needed to take the helm of an organization that desperately requires leadership, staffing, and skills development, and Allawi would seem to fit the bill. Hopefully the growing GOI focus on increasing private sector investment and diversifying its economy will highlight the necessity of having a confirmed NIC Chairman in place, and we will continue to press this point in our conversations with the GOI. The earliest reasonable timeframe for a vote on Allawi's nomination

appears to be in mid to late March.

CROCKER